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**PORT EVERGLADES DEPARTMENT - Port Director's Office**

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April 15, 2011

Daniel R. Elliott III  
Chairman,  
Surface Transportation Board  
395 E Street, S.W., Suite 1220  
Washington, DC 20423-0001

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Re: Docket No. Ex Parte 705, "Competition in the Railroad Industry"

Dear Chairman Elliott:

I write to you today to share my concerns with pending Surface Transportation Board actions to review economic regulations governing the operation of freight railroads, which may result in increased regulation. We would oppose any changes to the current regulatory environment that could inhibit the ability of freight railroads to invest in capital projects designed to enhance and modernize their infrastructure to improve intermodal connectivity.

Port Everglades has been working closely with Florida East Coast Railway, Inc., to plan the construction of a new rail spur and near-dock intermodal container transfer facility (ICTF). The State of Florida is about to break ground on a \$38 Million project to elevate the main entry road to the port to create the grade separation necessary to facilitate this direct access to waterside freight activity. This planned public-private partnership will greatly enhance intermodal mobility/connectivity between our Port and the regional and national roadway and rail network. The cargo moving via Port Everglades supports over 131,000 jobs throughout the State of Florida with the majority associated with the movement of containerized cargo. Last year, cargo activity at the Port created almost \$12.5 billion of total economic activity in the state.

Florida's other major seaports are also improving their facilities and developing business plans to expedite the movement of freight out of congested seaports and into the state and national distribution network. Many have planned improvements to railroad and truck routes which will allow integrated logistics centers and inland ports. Starting in 2014, larger ships will begin using the Panama Canal, opening up new opportunities to increase the efficiency of cargo movement by delivering freight directly to the eastern U.S. seaboard. More freight will also come from South America, which has recently emerged as the second-largest exporting industrial economy in the world. These two developments present enormous opportunities for Florida to emerge as a major import/export state. The availability of efficient rail access to our ports will enhance, complement and complete the import/export cycle.

The partnership between seaports and freight rail companies in Florida is vital to the continued health of the state's economy. Under the current, reasonable regulatory framework, America's freight railroads are investing in their infrastructure in Florida and throughout the nation. Decreased infrastructure investment will ultimately hurt the movement of goods through Florida ports. The recession hit Florida particularly hard in jobs and lost investments, but the ports and freight railroads are leading the rebound to reviving our economy and are hiring to meet increasing port-to-household supply chain demand. Thus, it is strongly recommended that the STB refrain from regulatory or policy changes that may hinder the infrastructure investment activities of the freight rail companies. Thank you for your consideration.

Sincerely,

Phillip C. Allen  
Port Director

Broward County Board of County Commissioners

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